

EU migration could carry on after 2019 - PM

May refuses to rule out free movement in post-Brexit 'implementation period'

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Theresa May has signalled that free movement of EU citizens could continue during a transitional phase after the UK leaves the EU in spring 2019.

Speaking during a trip to the Middle East, the prime minister did not rule out the possibility and admitted that there would need to be an "implementation period" to help businesses to adjust.

The European council president, Donald Tusk, has made it clear that while the EU27 would be willing to seek transitional arrangements, the "core principles" including over immigration must be maintained during that period.

His guidelines suggest that if the UK wishes to stay in the single market while a free trade deal is negotiated and then implemented beyond the two-year formal exit process then free movement would have to remain. A senior government figure with knowledge of the negotiating process said the wording echoed the fact that "no one serious in Brussels or in the



Donald Tusk, head of the European council, has made it clear that free movement must stay if the UK wants to stay in the single market during talks

other key capitals" believed a trade deal would be concluded by 2018.

When asked to "rule out free movement in any transitional period once we leave the EU", May said: "You've used the phrase transitional phase; I have used the phrase implementation period," she told reporters on the plane during her two-day tour of Jordan and Saudi Arabia.

"If you think about it, once we've got the deal, once we've agreed what the new relationship will be for the future, it will be necessary for there to be a period of time when businesses and governments are adjusting systems and so forth, depending on the nature of the deal, a period of time during which that deal will be implemented," she said.

Her answer left the door open to the possibility that the UK government could allow further unfettered migration from the EU while a new system is put in place. But the prime minister also said she had a mandate to put control of immigration back in the hands of the UK government.

Gibraltar

Royal Navy sees off Spanish ship

The Foreign Office has defended the Royal Navy's decision to order a Spanish patrol boat out of Gibraltar's disputed territorial waters, the latest spat between the UK and Spain over the enclave's future after Brexit.

A Foreign and Commonwealth Office spokesperson called the incident yesterday an unlawful maritime incursion. Spain has for centuries been demanding Gibraltar back and does not recognise the waters as sovereign British overseas territory.

A Spanish corvette, Infanta Cristina, was told to leave by a Royal Navy ship from what was described as the Gibraltar squadron.

Such incursions by the Spanish are frequent and might normally have passed without notice. But Gibraltar's position in the Brexit negotiations has assured the confrontation was given media prominence, not least as it came days after the former Conservative leader Michael Howard suggested that Theresa May should be prepared to go to war to protect the enclave, as Margaret Thatcher had done over the Falklands.

Although yesterday's incident was

minor, Gibraltar has become such a sensitive issue in the UK that the Ministry of Defence, usually happy to talk about naval matters, passed media requests for information to the FCO.

An FCO spokesperson said: "The Royal Navy challenges all unlawful maritime incursions into British Gibraltar territorial waters (BGTW) - and did so again on this occasion."

Although the FCO language is reasonably robust in describing it as an unlawful incursion, British diplomats have been generally relaxed about such incidents, not seeing them as a threat that undermines the UK's legal claim of British sovereignty over Gibraltar.

A spokeswoman for the government of Gibraltar told the Press Association: "The ship entered British-Gibraltarian territorial waters. It was met by the Gibraltar squadron and invited to leave."

The spokeswoman declined to say if Gibraltar would make a formal protest to Spain over the incident.

A short video of the Spanish corvette was posted on Gibraltar's official Twitter page.

Ewen MacAskill and Sam Jones Madrid



Theresa May meets Prince Mohammed bin Nayef yesterday. Saudi Arabia is the UK's largest trading partner in the Middle East, with British goods exports worth £4.67bn and services exports £1.9bn in 2015. In that year, 83% of UK arms exports - worth almost £900m - went to Saudi Arabia, according to Greenpeace

We want: Expanded free trade for UK goods and services

What they want: To become less reliant on oil and expand Saudi capital markets



Philip Hammond meets Arun Jaitley, India's finance minister, yesterday before talks in New Delhi during the chancellor's two-day visit. India is the world's fastest-growing economy but Britain's presence is small with just 1.7% of its exports going to the country, and bilateral trade worth about £18bn

We want: Opportunities in the financial technology sector including electronic banking and online payment systems

What they want: More visas for skilled workers and students

Britain is open to Indians, says Hammond

Michael Saffi Delhi

Britain's pledge to sharply reduce immigration will not impede the UK from negotiating a free-trade agreement with India, the chancellor has said during a visit to Delhi to promote British business.

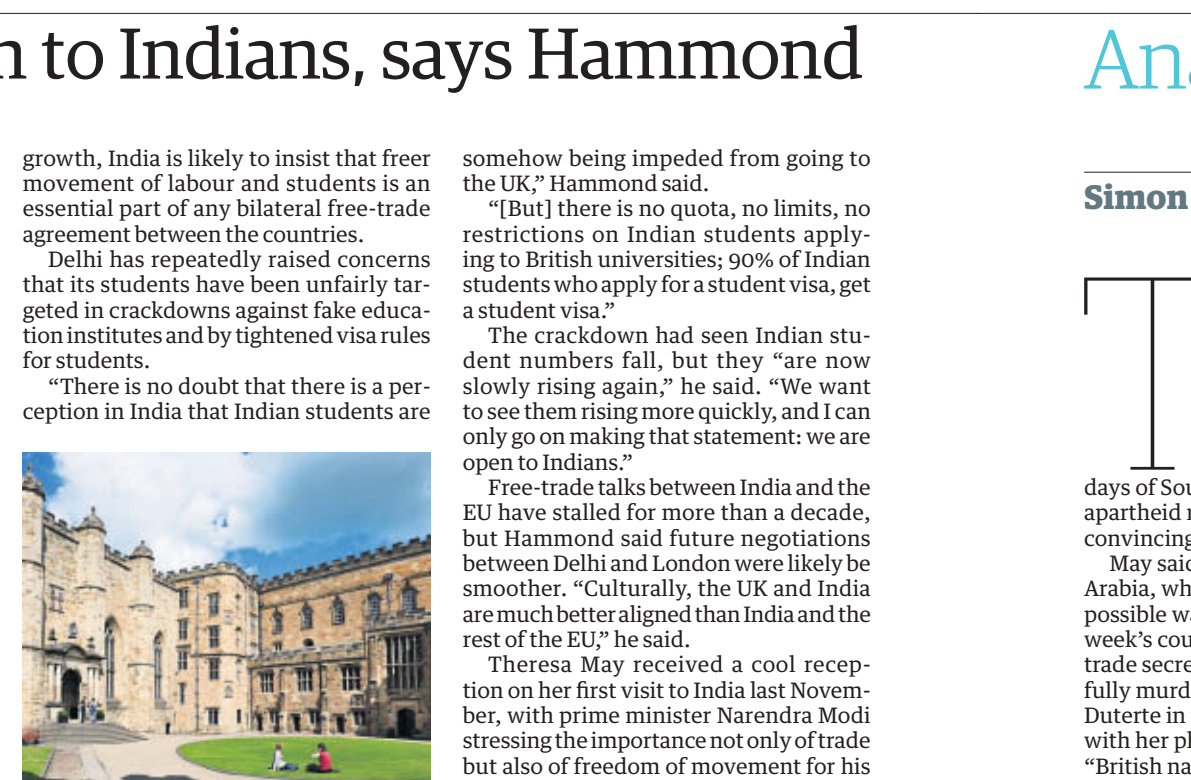
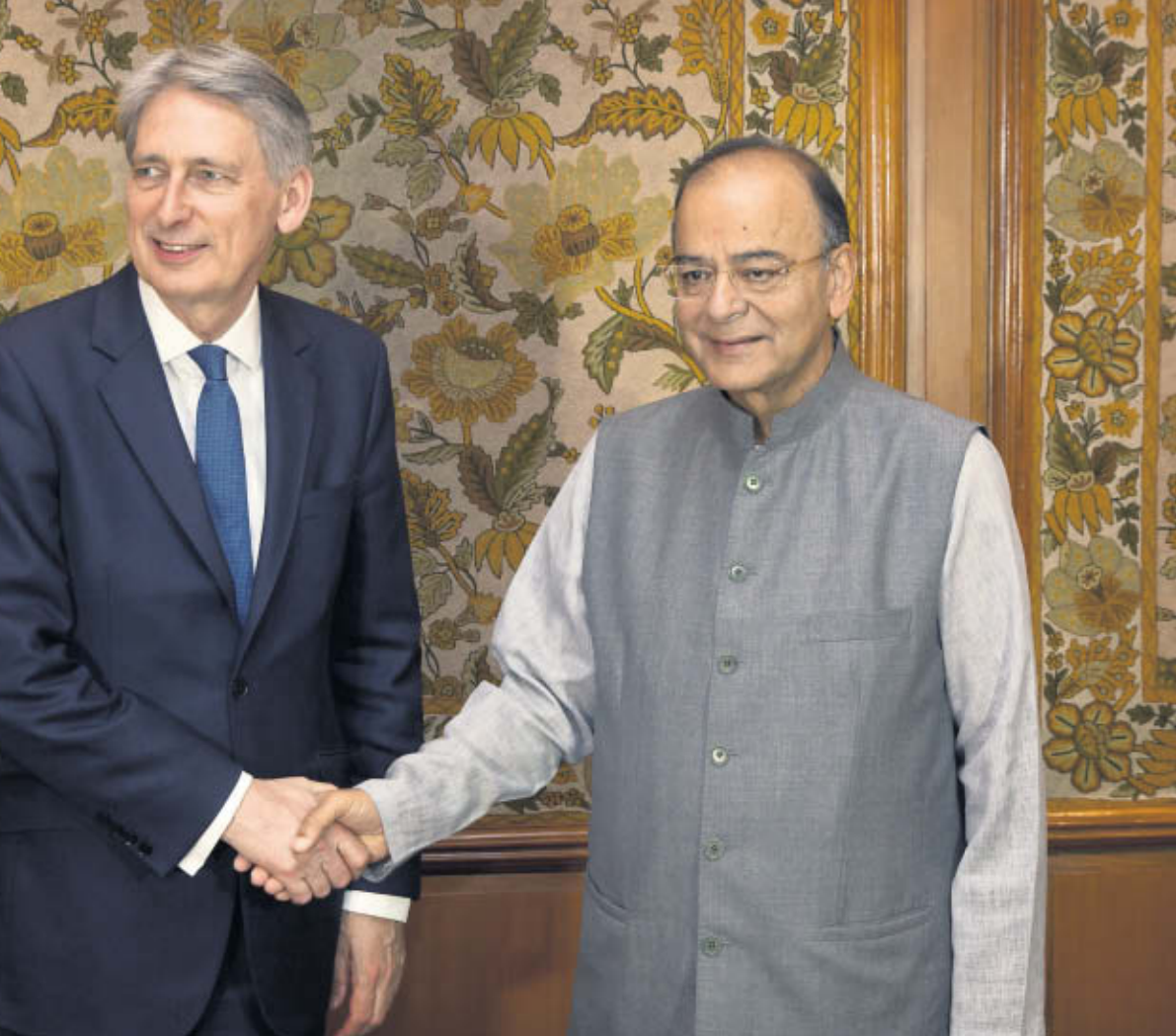
Philip Hammond said yesterday that the brunt of the government's pledge to shrink net migration to the "tens of thousands" would be felt by countries with less-skilled labour, rather than by India, whose citizens currently receive 60% of the work visas granted by the government.

He said the reduction was a long-term target and added: "We know that our economy today has a significant dependence on migrant labour and will continue to do so for some time to come."

Under the post-Brexit immigration scheme, Hammond said Britain would be seeking "skilled people taking well-paid jobs and contributing in a very positive way to the UK economy. In that context, we can have a very sensible dialogue with our Indian partners."

"Although we occasionally hear people in India say India doesn't get a fair crack of the whip, the truth is we issue more visas to Indians than we do to all other nationalities put together."

With a glut of workers and slow job



'There is no quota, no limits, no restrictions on Indian students going to the UK'

growth, India is likely to insist that freer movement of labour and students is an essential part of any bilateral free-trade agreement between the countries.

Delhi has repeatedly raised concerns that its students have been unfairly targeted in crackdowns against fake education institutes and by tightened visa rules for students.

"There is no doubt that there is a perception in India that Indian students are

somehow being impeded from going to the UK," Hammond said.

"[But] there is no quota, no limits, no restrictions on Indian students applying to British universities; 90% of Indian students who apply for a student visa, get a student visa."

The crackdown had seen Indian student numbers fall, but they "are now slowly rising again," he said. "We want to see them rising more quickly, and I can only go on making that statement: we are open to Indians."

Free-trade talks between India and the EU have stalled for more than a decade, but Hammond said future negotiations between Delhi and London were likely to be smoother. "Culturally, the UK and India are much better aligned than India and the rest of the EU," he said.

Theresa May received a cool reception on her first visit to India last November, with prime minister Narendra Modi stressing the importance not only of trade but also of freedom of movement for his country's skilled workers.

Yesterday, Hammond's Indian counterpart, Arun Jaitley, struck a positive note and said: "The United Kingdom, post-Brexit, is looking at a different level of relationship with India. And there's a huge aspiration in India itself also to add to and improve on this relationship."

Analysis Lending respectability to repression

Simon Tisdall

Theresa May's argument that it is better to engage with unsavoury foreign governments who abuse human rights than "stand on the sidelines, sniping" has been made by British politicians since the days of South Africa's white minority apartheid regime. Critics find it no more convincing today than it was then.

May said her visit yesterday to Saudi Arabia, which the UN has accused of possible war crimes in Yemen, and this week's courtesy call by the international trade secretary, Liam Fox, on the boastfully murderous regime of Rodrigo Duterte in the Philippines, were in line with her philosophy of furthering the "British national interest".

May said: "It's in our British national interest to have good relations around the world so we can trade around the world - that brings jobs and prosperity to the UK. It's also in our national interest to ensure we're working with others to maintain our safety and security."

"And yes, it's in our national interests to ensure that the values that underpin us as Britons are values that we promote around the world - and that's what we're doing."

When it comes to the Gulf states, where Britain's arms exports industry does the bulk of its business, that's a hard circle to square. In executing, jailing and harassing their opponents since the 2011 Arab spring uprising, Bahrain's leaders have shown scant regard for British values. But they have welcomed British armoured vehicles and weaponry with open arms.

Similarly, the regime in Riyadh is Britain's biggest single weapons buyer. But in human rights terms, Saudi Arabia is the new South Africa, except the state-imposed, institutional discrimination is based on gender. Respect for women's rights and gender equality are largely non-existent. Reform pledges such as allowing women to drive, dating back to 1990 when the terrified regime needed US and British help against Iraq's dictator, Saddam Hussein, remain unfulfilled.

May pointedly highlighted the reform effort, Vision 2030, promoted by the deputy crown prince, Mohammed bin Salman, the defence minister who oversees the campaign in Yemen. Its modest, long-term goal is to increase female

workforce participation from 22% to 30%. This is hardly a transformation. May also put herself forward as a role model. "I hope that people see me as a woman leader, will see what women can achieve and how women can be in significant positions... We have already seen some changes," she said.

May appears sincere, if a trifle naive. In any case, her focus is elsewhere. Her top priority - post-Brexit trade deals - is understood only too well by her hosts. They know the government's political imperative, and thus its vulnerability, is to make Brexit a success. They also know that, in this context, rights issues are an inconvenience for both parties. So they play along with a cynical game of paying lip service to such concerns.

For the unelected, internally unstable Saudi regime, which stands accused of failing to halt the spread of Wahhabi Islamist extremism across the Muslim world, the relationship with Britain pro-

vides a degree of international respectability and an implicit security guarantee. This was underlined by the British decision to build a naval base in Bahrain, a de facto Saudi satrapy.

May provided no evidence to support her pre-visit claim that Saudi counterterrorism cooperation has saved "hundreds" of British lives. Her statement will look to many like a justification for turning a blind eye to Saudi abuses at home and abroad.

May's hard-headed approach is hardly new. But Brexit, and the resulting neediness arising from fears of economic isolation and lost jobs, appears to be exacerbating a tendency towards double standards. Fox's meeting with Duterte, who proudly celebrates the murderous activities of vigilante death squads that are estimated to have killed up to 7,000 people since he took office, is a breathtaking example of what many around the world will see as cynical disregard for stated British democratic values.

May hopes her fresh-minted "global Britain" will create a paradigm in international trade. The danger is it may also set a standard for global hypocrisy that boosts repressive regimes everywhere.

Nadifa Mohamed, page 27 →



International trade secretary Liam Fox meets President Rodrigo Duterte of the Philippines. Trade between the two countries is just £770m a year with the UK annually exporting £386m worth of goods, including pharmaceuticals and engines

We want: Infrastructure projects including transport, water, urban development and education

They want: More exports to the UK. Current exports include mineral and carbonated water, tuna, bikes, juices and aeroplane parts



Foreign secretary Boris Johnson with his German counterpart, Sigmar Gabriel, in London yesterday. Germany is the UK's second most important market after the US - worth £30bn in 2016 or 10% of all exports. But the UK imports twice as much from Germany

We want: a free trade agreement with Germany through a bloc deal with the EU, with immigration controls and legal oversight by British courts

They want: To maintain EU unity after Brexit, even if their car trade has to take a hit

Fox: 'shared values' with Philippines' Duterte

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the trips to Saudi and the Philippines urged caution in the government's drive to build closer economic links further afield.

Harriet Harman, the Labour MP who chairs parliament's joint committee on human rights, said the government should never sacrifice core British principles when seeking new relationships. "There is a real danger that in our desperation to conclude trade deals respect for human rights, which is in every EU contract, will just go out of the window," she said. "The government must not let that happen."

The prime minister said her "May doctrine" was to do everything in the British national interest, including snapping up trade opportunities that could bring "jobs and prosperity to the UK". She said a separate focus of her trip to Saudi was counterterrorism cooperation, and insisted she always promoted British values.

The Labour leader, Jeremy Corbyn, called on May to put human rights at the "centre of her talks" in the region, pointing out that a Saudi-led coalition bombing Yemen had left thousands dead and millions in need of humanitarian help.

The shadow trade secretary, Barry Gardiner, warned about Fox's "association" with Duterte, who has said he personally killed criminals during his 22 years as a mayor of Davao city, including throwing one suspect to his death from a helicopter.

Gardiner said: "We want to expand trade with countries all around the world and it is right that the government should be pursuing that vigorously. But the thing you have to be very careful about is that we do not sacrifice fundamental principles in the process. It is frankly shocking that Liam Fox in his speech in the Philippines talked about the shared common values that we have."

"I'm sorry, but we do not have these shared common values with President Duterte who wants to bring back the death penalty and lower the age of criminal responsibility to nine."

The Philippines' international relations

Jeremy Corbyn called on the prime minister to make the issue of human rights a central issue during her talks in the region



have become strained under Duterte. He lashed out at the UN for criticising him, labelling the body "stupid", and he called former US president Barack Obama a "son of a whore". Last month, he warned the EU not to "fuck with us" after the European parliament passed a resolution expressing "grave concern over credible reports" that Philippine police were engaged in extrajudicial killings, a claim strongly denied.

Fox said in his article that the UK and Philippines have a "well-established and strong relationship built on a foundation of shared values and shared interests and we want this partnership to continue to flourish".

He added that Philippine firms and investors should know the UK remains "open for business", according to the article, which the British embassy in Manila posted on Twitter. Philippine companies have invested more than £1bn into the UK since 2014, it said.

Fox's department was created after the EU referendum in an attempt to secure trade deals with non-EU countries.

On the day May triggered article 50, Fox detailed in the Express his vision for a "truly global Britain". He wrote: "From Australia to China, old friends and new allies alike are queuing up to renew their trading relationships with Britain."

The Liberal Democrat foreign affairs spokesman, Tom Brake, said: "Duterte is one of the 21st century's most sinister leaders and Liam Fox has flown halfway around the world to grovel to him. The fact that the first visit made by Fox since triggering article 50 is to the Philippines shows just how low this government is willing to stoop in order to secure even a minimal trade deal in the future."

A spokesperson for the Department for International Trade said: "We do not shy away from confronting barriers to trade and investment - including issues of human rights and corruption. Greater knowledge and understanding of one another will increase our ability to address those issues that concern us."